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one substrate having an electrode and an alignment layer formed on the internal surface in that order from the one substrate while the other substrate having an electrode and an alignment layer formed on the internal surface in that order from the other substrate; a front light arranged adjacently to the external surface of the other substrate; a reflection substrate arranged adjacently to the external surface of the one substrate or between the one substrate and the electrode disposed on the one substrate; and an optical diffusion layer arranged between the front light and the reflection substrate, wherein the reflection substrate is provided with a plurality of reflection inclined planes continuously formed on a surface thereof with a stripe geometry in plan view and a surface of each refection inclined plane is an irregular irregular surface, and wherein the optical diffusion layer is made of a matrix of a transparent resin or a transparent adhesive having fine particles dispersed therein.

Please amend the paragraph beginning on page 21, line 16 and ending on page 21, line 24 as follows:

According to the embodiment, if the haze of the optical diffusion layer 29 is less than 15%, it is difficult to sufficiently have the effect eliminateing rainbows, which is the desired object, while if the haze is more than 30% to the contrary, the optical diffusion is too large so that the reflection efficiency of illuminating light is reduced, thereby remarkably deteriorating display characteristics such as display brightness and the contrast in the display screen.

Hallon

Please amend the paragraph beginning on page 23, line 14 and ending on page 15, line 6 as follows:

In any case, as shown in Fig. 2, light Q incident in the liquid crystal cell 20 is reflected by the reflection inclined plane 28b after passing through the second substrate 22, the display circuit 26, the liquid crystal layer 23, the display circuit 27, the first substrate 21, the adhesive layer 31, and the optical diffusion layer 29 in that order. This reflected light R enters the liquid crystal cell 20 from the first substrate 21 after passing through the optical diffusion